



U.S. Department of Justice

Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

March 12, 2001

MEMORANDUM FOR THE ATTORNEY GENERAL

FROM: Sheryl L. Walter
Acting Assistant Attorney General

SUBJECT: Weekly Report for March 12, 2001 - March 16, 2001

THE WEEK AHEAD

Nominations: We anticipate that the nomination of Ted Olson, to be Solicitor General, and the nomination of Larry Thompson, to be Deputy Attorney General, will be sent to the Senate later this week. (Scott-Finan)

Hanssen Espionage Case: On March 14, the FBI has been invited to brief members and cleared staff of the House Judiciary Crime Subcommittee. A representative from the Department will also attend.

On March 15, a counterintelligence basics briefing is scheduled for members of the Senate Select Committee on Intelligence. Acting Chief John Dion of the Criminal Division's Internal Security Section is invited for the Department. Representatives of the FBI, CIA, DOD are also invited. The Committee has requested five minute briefings from each agency representative with time for questions.

On March 16, Inspector General Glenn Fine and Counselor to the Inspector General Paul Martin are scheduled to meet with Senate Select Intelligence staff. A representative of the Office of Legislative Affairs will attend.

On March 16, a meeting is scheduled with Senate Select Intelligence Committee staff to work out coordination for giving information to committees on compromise issues. The Department, CIA and FBI are invited to attend this meeting.

On March 12, the FBI and NSA provided a briefing on newspaper reports of a tunnel under the Russian Embassy that was reportedly compromised by Hanssen for the House Permanent Select Committee on Intelligence. A representative of the Office of Legislative Affairs attended the meeting. (Walter)

On March 7, there was an FBI/NSA staff briefing for Senate Intelligence on the reported tunnel below the Russian Embassy. That afternoon, Director Freeh testified at a hearing before the House Permanent Select Committee on Intelligence on the Hanssen case.

Bankruptcy: The Senate continues to debate amendments to the Bankruptcy bill. The House passed H.R. 333, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2001, on March 1. (Wilson)

Recent Presidential Pardons: On March 12, staff from the House Government Reform Committee will interview former Associate Deputy Attorney General Deborah Smolover about Department actions relating to the Vignali and Hendrick pardons. As before, the ground rules will be that Ms. Smolover can answer questions about pardon procedures and the substance of our discussions on Rich, Green, and Vignali, but the substance of deliberations about other pardons will be off limits. This week, Criminal Division and OLA staff will review FBI documents pertaining to the New York investigation of Messrs. Rich and Green in order to perhaps reduce the volume of material that must be reviewed by the Southern District of New York. We have sent the 2,000 pages from the U.S. Marshals' Service that are responsive to the Committee's request to the United States Attorney in the Southern District of New York for review.

We are continuing to provide information to the Senate Judiciary Committee, following up on their February 14th hearing. Senator Feinstein has requested information about the Department's consultation with victims in the pardon review process, both before and after our internal regulation on victim notification became effective on September 28, 2000. We are working with her Committee staff to determine how we can respond to her questions, consistent with long-term executive branch interests in the confidentiality of the Pardon Attorney's deliberations. (Burton)

Public Safety Officer Medal of Valor Act of 2001 (H.R. 802): This bill is scheduled to be taken up by the House under suspension of the rules later this week. (Under this procedure, no floor amendments are entertained or permitted.) The bill would authorize the President to award a Medal of Valor to deserving public safety officers for "extraordinary valor above and beyond the call of duty." The Department has not stated an official position on this legislation. The previous Administration supported the creation of the proposed Medal of Valor but expressed concern over a provision in the bill that would establish a "National Medal of Valor Office" within the Department to assist in implementing the legislation.

[REDACTED]
(Jones, Daley)

FOIA EXEMPTION (b)5

SW Border - Prescription Drugs: The staff of the House Commerce Committee have requested briefings on the Controlled Substances Trafficking Prohibition Act of 1998, Public Law No. 105-357, which allows individuals to bring in up to 50 doses of controlled substances (other than Schedule I) without a prescription. Both majority and minority staffs are concerned that the law is being abused by individuals making repeated trips to and from Mexico. On March 12, we will host a meeting of representatives of the White House, Customs, FDA/HHS, and

interested components in this Department (DEA, ODAG, EOUSA and OLA) to ascertain the extent of the problem, identify potential solutions, and provide the joint briefing. (Tanner)

First Federal Execution: On March 14, U.S. Marshal Frank Anderson and BOP Warden Harley Lappin are scheduled to brief Congressman Brian Kerns about the security for the area around the BOP facility in Terre Haute at the time of the first federal execution. The facility is in the Congressman's district and he is concerned about community safety. (Scott-Finan)

S. 304 - Drug Treatment: On March 14, the Senate Judiciary Committee will hold a hearing on S. 304, the Drug Abuse Education, Prevention, and Treatment Act of 2001, sponsored by Senators Hatch, Leahy, Biden, DeWine and Thurmond. DEA Administrator Donnie Marshall and United States Attorney for Utah Paul Warner are scheduled to testify. [REDACTED]

[REDACTED] (Tanner)

FOIA EXEMPTION (b)5

Election Issues: The Senate Rules and Administration Committee (McConnell, Chair) will hold hearings on issues affecting elections on March 14 and 15. The witness lists are not yet available. (Scott-Finan)

Education: Staff from OLA and the Civil Rights Division are scheduled to brief staff for Congressman Richard Baker about the consent decree affecting Baton Rouge on March 16. (Scott-Finan)

Drugs - Ecstasy: On March 21, the Senate Drug Caucus will hold a hearing on progress against the drug Ecstasy. DEA Administrator Donnie Marshall will testify. (Tanner)

THE WEEK IN REVIEW

Airline Mergers: On March 8, you and Transportation Secretary Norman Mineta met with Senators DeWine, Kohl, Leahy, Schumer, Specter, and Harry Reid for a general discussion on antitrust policy issues raised by airline mergers. (Walter)

Zuni River Basin: On March 9, representatives from the Department briefed Senator Bingaman's staff on a lawsuit we filed on behalf of the Zuni Indian Pueblo to adjudicate the waters of the Zuni River Basin in New Mexico. As this is pending litigation, we only discussed the background and other public information on this case. (Pearlman)

College and Amateur Sports Gambling: OLA accompanied staff from the Criminal Division's Organized Crime and Racketeering Section on Thursday, March 8, to a meeting with House and Senate staff for the Nevada delegation. The meeting was well attended and included a staffer for Representative LoBiondo, and was intended to be a preliminary discussion between the delegation and the Department over the intent of H.R. 525, the National Collegiate and Amateur Athletic Protection Act of 2001.

OLA accommodated a similar request for a preliminary meeting on Friday, March 9, with staff for Chairman Hatch. The Department does not have a position on the bill but has opposed similar legislation during the prior Administration. (Daley)

Antitrust Technical Corrections Bill: On March 8, the House Judiciary Committee (Sensenbrenner, Chair) passed unanimously by voice vote H.R. 809, the Antitrust Technical Corrections Act of 2001. The main provisions of this bill apply Section 2 of the Sherman Act to the District of Columbia (in a new Section 3 of the Sherman Act for sake of clarity) and repeal the Publicity in Takings Evidence Act. (Slover)

Congressman Traficant's Fair Justice Act: On March 7, representatives from the Department's Inspector General's Office, the Office of Professional Responsibility, the Criminal Division and OLA met with a member of Congressman Traficant's staff about his legislation, the Fair Justice Act, H.R. 305. In the last Congress, Department representatives testified against this proposal, which would establish a separate agency to oversee the Department of Justice. In the meeting last week, the Congressman's staff reported that a number of individuals had advised him of misconduct by Department employees, although neither he nor the complaints (to his knowledge) had reported the incidents to the Department. We explained that the Offices of the Inspector General and of Professional Responsibility are dedicated to investigating allegations of misconduct by Department employees so that appropriate corrective action, including criminal prosecution if necessary, can be taken. Mr. Traficant's staff responded that his primary goal was to advance the legislation. (Burton)

Combating Cyber Crime: On March 7, the Criminal Division's Computer Crime and Intellectual Property Section provided an educational briefing on combating cyber crime to Senate Judiciary staff for Chairman Hatch. (Daley)

Election: On March 7, the Senate Commerce Committee (McCain, Chair) held a hearing on the need to reform the current election process. The witnesses were the Secretaries of State for the States of Oregon, Georgia and Kansas; and representatives of the Paralyzed Veterans of America, the Leadership Conference on Civil Rights, AARP, and the National Council of La Raza. The Department was not invited to testify at this hearing. (Scott-Finan)

Money Laundering: Criminal Division DAAG Mary Lee Warren testified before the Permanent Subcommittee on Investigations of the Senate Committee on Governmental Affairs at a March 6 hearing on misuse by certain foreign banks or their criminal clients of U.S. correspondent accounts to launder money and evade taxes. We were invited to comment on proposed legislation. The Department of the Treasury also provided a witness. (Tanner)

Land Condemnation: On March 5, representatives from the Department of Justice (DOJ) and the Army Corp of Engineers briefed staff from the South Carolina delegation on a condemnation action between the Georgia Department of Transportation and Jasper County, South Carolina. In the interest of equity, DOJ offered this meeting after scheduling a meeting with members of the Georgia delegation last week. (Pearlman)